



**Retirement Investors' Club (RIC)
403b Plans**
Look forward to retirement!

RIC 403b Plan Summary

Des Moines Area Community College

	457 Employee Contribution Plan	401(a) Plan	403b Plan
Eligibility requirements	None	Participate in 457 plan	None
Enrollment	Year-round – Call an RIC investment provider to request an enrollment kit or appointment. Return completed paperwork to the provider.		Same as 457/401a plans
Contributions	Minimum payroll deductions of \$25/month; maximums set by IRS annually. Deductions may be changed at any time. A 3-Year Catch-Up benefit is available to qualified participants who are 4 years from normal retirement.	None	No minimum amount required unless specified by the employer. A Special Catch-Up benefit is available to qualified participants who have 15+ years of service with current employer.
Rollovers in	Accepts eligible 457 plan assets	Accepts eligible 401(a), 401(k), 403(a), 403(b), and IRA (traditional, rollover, and SEP) assets. Roll-in assets may roll out again while employed.	Same as 401a plan
Fed/state tax	Exempt until taxable distributions are made	⇒	Same as 457/401a plans
Vesting	Always 100% vested	⇒	Same as 457/401a plans
Investment options	A large variety of diversified investment options are available through RIC. You may change your investment selections online or by phone. There are no fees for moving money out of RIC investments. (go to https://das.iowa.gov/RIC/PSE/providers for more information)		Same as 457/401a plans (go to https://das.iowa.gov/RIC/403b/providers for more information)
Distributions during employment (contact RIC)	Unforeseeable Emergency- Must prove financial hardship due to an unforeseeable emergency (complete <i>RIC Unforeseeable Emergency Form</i>)	None	Hardship Withdrawal- Must prove financial hardship due to an unforeseeable emergency- (complete <i>RIC Hardship Withdrawal Form</i>)
	Cash Out Provision- Allowed if total assets=\$5,000 or less and no deferrals have been made for a 2-year period (complete <i>RIC Distribution Form</i>)		Age 59 ½ - allowed (not required) in the year you attain age 59½
	Service Credit Purchase- A nontaxable transfer of assets for purchase of permissive service credits such as IPERS (fax IPERS forms to RIC)		Loans- Yes, lesser of 50% of balance or \$50,000
	Age 70 ½- allowed (not required) in the year you attain age 70 ½ ⇒		Service Credit Purchase- Same as 457 plan
Distributions after employment (contact provider)	Taxable- (reported as ordinary income on 1099R)- payment options include total/partial lump sum withdrawal(s), systematic withdrawals, and irrevocable lifetime payments.	Taxable- Same as 457 plan except with possible IRS 10% penalty if taken before age 59½	NA
	Non-taxable- Assets may roll to eligible 457, 401(a), 401(k), 403(a), 403(b), or IRA (traditional, rollover, SEP)		Taxable- Same as 401a plan
	Service Credit Purchase- Nontaxable transfer of assets for purchase of permissive service credits such as IPERS (fax IPERS forms to RIC)		Non-taxable- Same as 457/401a plans
	Age 70 ½ requirement- IRS required minimum distributions must begin by April of the calendar year following the year you attain age 70½ or retire, whichever is later		Service Credit Purchase- Same as 457/401a plans
			Age 70 ½ requirement- Same as 457/401a plans